



**DEFENSE LOGISTICS AGENCY**  
DEFENSE NATIONAL STOCKPILE CENTER  
8725 JOHN J. KINGMAN ROAD, SUITE 3229  
FT. BELVOIR, VIRGINIA 22060-6220

IN REPLY  
REFER TO DNSC-C2

July 12, 2004

**AMENDMENT NO. 003**  
**TO BASIC ORDERING AGREEMENT FOR**  
**COBALT METAL**  
**UNDER**  
**DLA-COBALT-001**

The above referenced Basic Ordering Agreement for the sale of cobalt is hereby amended to revise the following Sections: SECTION D – PAYMENT and SECTION G.11 Setoff of Funds.

- 1. SECTION D – PAYMENT** is deleted in its entirety and replaced with  
**SECTION D – PAYMENT (May 04)** as follows:

**SECTION D - PAYMENT**

**D.1 Payment (MAY 04)**

- a.** Payment shall be made in U.S. dollars.
- b.** Payment shall be made by wire transfer, U.S. Postal Service money order, or company or bank check.
  - (1) Wire transfer payment shall be made in accordance with instructions in **Section J.3**. Fees for wire transfers are the responsibility of the Contractor. If payment is by wire transfer and the wrong account number is used, shipment of material may be delayed by up to one week or the wire transfer may returned to the sender.
  - (2) All checks must be drawn on a U.S. domestic bank or on the United States branch of an acceptable foreign bank and must be payable in United States currency. **A service charge of \$100.00 will be applied to all returned checks.**
- c.** Payment shall be made to the **Defense Finance and Accounting Service - Columbus (DFAS-Columbus)**. If a check is not made payable to DFAS-Columbus, the check may be returned and the \$100.00 fee stated in **D.1.b.** charged. Payment shall be accompanied by **identifying information including the contract number, invoice number, and a description of the material purchased**. Payments without the required identification may be returned and shipment delayed. Payments shall be sent to:

ATTN: DNSC-R, Accounts Receivable  
Defense National Stockpile Center  
8725 John J. Kingman Road  
Suite 3229  
Fort Belvoir, VA 22060-6223

- d. Invoices issued for adjustments for variations in quantity or weight, storage charges, interest, penalty charges, or administrative charges shall be paid promptly.
- e. If payment is not made in full within 30 calendar days of issuance of an invoice as specified in **D.1.d.**, the Contractor will be considered delinquent and any outstanding charges will be reduced by any subsequent payments. No material will be released until all delinquent charges are paid. (See Sections **F.1.a.** and **G.11.**)

## D.2 Payment Due Date (MAY 04)

- a. Payment due dates will be applied as follows:
  - (1) If payment terms are not extended, payment will be made before shipment of material and before the end of the contract period specified in the executed **Section I.1 Quote/Award Form (April 02)**.
  - (2) If payment terms are approved, the Contractor shall pay the Government the full amount of **each** shipment no later than **30** calendar days after DNSC receives current, accurate and complete Shipping Instructions. Shipping Instructions must be submitted on or before the final day of the contract period. Notwithstanding any other provision of the contract, payment is due with or without the issuance of an invoice by the Government. If the Contractor fails to make payment timely, the Contractor will be considered delinquent (see Section **D.1.e.**, **F.1.a.**, and **G.11**), and the Government, at its sole discretion, may revoke payment terms and take other appropriate action in accordance with Section **G.8**. If the Contractor fails to submit current, accurate and complete Shipping Instructions on or before the final day of the contract period, the Government will revoke payment terms and payment must be made **before** shipment of material.
- b. If payment is not received by 4:30 p.m., local time Fort Belvoir, VA, on the payment due date, payment will not be credited until the next Government business day. Interest and penalty charges will accrue accordingly.
- c. In the event the payment due date falls on a Saturday, Sunday, or holiday, then the payment due date will be extended to the next Government business day.

## D.3 Interest (MAY 04)

- a. All amounts that become payable by the Contractor to the Government under this contract shall bear simple interest from the date due until paid. The interest rate shall be the interest rate established by the Secretary of the Treasury as provided in 41 U.S.C. 611, which is applicable to the period in which the amount becomes due, as provided in paragraph **b.**, below.
- b. Amounts shall be due at the earliest of the following dates:
  - (1) The final day of the contract period specified in **Section I.1 Quote/Award Form (April 02)** (with or without the issuance of an invoice by the Government);
  - (2) The date of the first written demand for payment under the contract, including any demand resulting from a default termination, unless paid within 30 days of becoming due; or

- (3) If payment terms have been approved, **30** calendar days after the date that DNSC receives current, accurate and complete Shipping Instructions provided that Shipping Instructions are submitted on or before the final day of the contract period. If Shipping Instructions are not submitted on or before the final day of the contract period, amounts shall be due in accordance with the provisions of Section **D.3.b.(1)**.

#### **D.4 Penalty and Administrative Charges (MAY 04)**

In addition to interest charges specified in Section **D.3**, above, a penalty charge of 6 percent per annum shall be assessed on any debt principal that is delinquent more than 90 calendar days. Penalty charges shall accrue from the date the principal amount due becomes delinquent until paid. Additional administrative charges may be assessed, if needed. Administrative charges relate only to delinquent debts and will be assessed to cover expenses incurred by the Government in the recovery of such debts.

- 2. SECTION G.11 Setoff of Funds (JUL 98)** is deleted in its entirety and replaced with **SECTION G.11 Setoff of Funds (May 04)** as follows:

#### **G.11 Setoff of Funds (MAY 04)**

The Contractor agrees that the Government may use all or a portion of any monies received by the Government to satisfy, in whole or in part, any debt (e.g., delinquent payments, interest, penalty charges, administrative charges, or storage charges), arising out of this or any other transaction.

- 3.** Except as provided herein, all other terms and conditions of DLA-Cobalt-001 remain unchanged and in full force and effect.

4. Quoters shall acknowledge receipt of this amendment by signing in the space below and returning a copy of this form along with their quote to:

ATTN: DNSC-L / Bid Custodian  
Defense National Stockpile Center  
8725 John J. Kingman Road, Suite 3229  
Fort Belvoir, VA 22060-6223  
Facsimile No: (703) 767-5541

Failure to acknowledge receipt of this Amendment may result in the Quoter being considered ineligible for award.

NAME OF FIRM: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

FACSIMILE: \_\_\_\_\_

BY: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_